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IN THE

Supreme Court of the United States

OCTOBER TERM, 1948.

No. 361

MASTER METAL STRIP SERVICE, INC., AND MARTIN J. GOSSEN,

Petitioners,

vs.

PROTEX WEATHERSTRIP MFG. CO., A COPARTNERSHIP, CONSISTING OF JOHN W. MOUSTAKAS, ALIAS JOHN WEST, CATHERINE MOUSTAKAS, AND LOUIS MOUSTAKAS,

Respondent.

RESPONDENT'S BRIEF IN OPPOSITION TO THE PETITION FOR A WRIT OF CERTIORARI.

CHARLES B. CANNON,
FERD BING,
DANIEL V. O'KEEFFE,
(WALLACE AND CANNON),
One North La Salle St.,
Chicago (2), Illinois,
(*Attorneys for Respondent*).

THE BLAKELY-WARREN PRINTING COMPANY, 810 WEST JACKSON, CHICAGO

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Respondent.

RESPONDENT'S BRIEF IN OPPOSITION TO THE PETITION FOR A WRIT OF CERTIORARI.

To the Honorable Chief Justice of the United States, and the Associate Justices of the Supreme Court of the United States:

INTRODUCTORY STATEMENT.

The petition for a writ of certiorari to the United States Court of Appeals for the Seventh Circuit seeks to have this Court review only that portion of the unanimous decision of the lower court (dated July 1, 1948, R. 408 to 413, inclusive), written by Judge William H. Sparks,

which affirmed in full the "Judgment" of Judge William H. Holly (R. 330 to 332, inclusive) in the United States District Court for the Northern District of Illinois, Eastern Division, at Chicago, finding that the petitioners (plaintiffs below) have misused the Gossen Patent No. 2,158,963, in suit, in violation of the Anti-Trust Laws, Title 15, U. S. C. A., Sections 1, 2, 3, 4, 15 and 26, in attempting to monopolize an unpatented weatherstrip which is sold by the petitioner corporation (Plaintiffs' Exhibit No. 13) and which forms but a single and unpatented element of the combination of elements which is recited in claims 1 and 2 of Gossen patent No. 2,158,963, in suit (Findings of Fact Nos. 7, 8, 9, 10, 11, R. 326, 327, and Conclusions of Law Nos. 2, 4, 6, 7 and 8, R. 328, 329).

The petition for a writ of certiorari herein does not question that portion of the unanimous decision of the Court of Appeals which affirmed in full the judgment of the District Court (R. 331) holding claims 1 and 2 of the Gossen Patent No. 2,158,963, in suit, invalid for lack of invention, nor does the petition herein question that portion of the decision of the Court of Appeals (R. 413, last paragraph) which approved the procedure of the District Court in finding it unnecessary to rule upon the alleged infringement of claims 1 and 2 of the Gossen patent No. 2,158,963, in suit, in view of the Court's finding that these claims are invalid for lack of invention.

The petitioner, Master Metal Strip Service, Inc., is an Illinois corporation, having its principal place of business located in Chicago, Illinois, and the petitioner, Martin J. Gossen, is a resident of the city of Milwaukee, Wisconsin.

The respondent, Protex Weatherstrip Mfg. Co. (defendant below), is a copartnership, consisting of John W. Moustakas, also known as John West, Catherine Moustakas, and Louis Moustakas, having its principal place of business located in the city of Chicago, Illinois.

The petitioner, Martin J. Gossen, is the patentee named in, and is the owner of the legal title to, the Gossen Patent No. 2,158,963, in suit (R. 351 to 358, inclusive), granted May 16, 1939 on "Weatherstrip and Sash Balance".

The petitioner, Master Metal Strip Service, Inc., is the successor in business and in interest to the exclusive licensee named in an exclusive license agreement (Plaintiffs' Exhibit No. 8, R. 256 to 263), dated July 18, 1939 between the petitioner, Martin J. Gossen, and Maurice S. Oftedal, doing business as Master Metal Strip Service Co. (Finding of Fact No. 5, R. 325, 326).

The petitioners do not manufacture or sell window frames or window sash, as disclosed in the Gossen Patent No. 2,158,963, in suit, and as defined in claims 1 and 2 thereof, in suit, below (Findings of Fact Nos. 10 and 11, R. 327) and the respondent did not between the date of the issuance of the Gossen patent No. 2,158,963, in suit, on May 16, 1939 and the time of the trial in the District Court on April 24, 25 and 28, 1947, manufacture or sell any window frames or window sash of the character disclosed in the Gossen Patent No. 2,158,963 and as defined in claims 1 and 2 thereof, in suit (Finding of Fact No. 9, R. 326 to 327).

The petitioners merely manufacture and sell their commercial weatherstrip and they sell a coiled lifting spring for use therewith. The respondent manufactures and sells its alleged infringing weatherstrip construction. The respondent also sells coiled lifting springs for use with its alleged infringing weatherstrip (John W. Moustakas, R. 77 to 80, inclusive). These coiled lifting springs are not manufactured by the respondent but are purchased from a coil spring manufacturer (John W. Moustakas, R. 78).

The litigation below arose out of the competition between the corporate petitioner and the respondent in the

business of manufacturing and selling their respective unpatented weatherstrips.

Under the exclusive license agreement (Plaintiffs' Exhibit No. 8, R. 256 to 263, inclusive) the royalties payable by the exclusive licensee to the petitioner-patentee, Martin J. Gossen, were made expressly payable, not upon the complete combination of elements recited in combination claims 1 and 2 of the Gossen patent No. 2,158,963, in suit, but upon a single unpatented element thereof, namely, petitioners' commercial weatherstrip (Plaintiffs' Exhibit No. 11).

The original complaint (R. 2 to 5, inclusive) charged the respondent with infringement of all of the claims 1 to 8, inclusive, of Gossen patent No. 2,158,963, in suit, as well as with infringement of all of claims 1 to 11, inclusive, of a second Gossen patent No. 2,257,051. Thereafter, by way of a counterclaim for declaratory judgment (R. 14 to 20, inclusive), the respondent brought into the case a third Gossen patent which the petitioners charged the respondent to infringe but upon which they had not elected to sue in the complaint. However, prior to trial, by a "Notice and Bill of Particulars" (R. 59), the petitioners waived the charge of infringement as to all but two of the numerous claims of the three Gossen patents which they had charged the defendant to infringe and the case was dismissed with prejudice as to such claims, which were claims 3 to 8, inclusive, of Gossen patent No. 2,158,963, claims 1 to 11, inclusive, of Gossen patent No. 2,257,051, and claims 1 to 8, inclusive, of Gossen patent No. 2,101,577 (Conclusion of Law No. 9, R. 330, and Paragraph (2) of the "Judgment" of the District Court, R. 331), leaving only claims 1 and 2 of Gossen patent No. 2,158,963 in issue in the case below.

The case below was thereupon tried upon claims 1 and 2 of the Gossen patent No. 2,158,963, and the issues as to the

alleged direct and contributory infringement of claims 1 and 2 of the Gossen patent No. 2,158,963 were thoroughly developed and exploited at the trial.

The District Court held claims 1 and 2 of the Gossen patent No. 2,158,963, in suit, invalid for lack of invention over the prior art (Findings of Fact Nos. 12, 13, 14 and 15, R. 327, 328 and Conclusions of Law Nos. 4 and 5, R. 329, and Paragraph (3) of the "Judgment" of September 12, 1947, R. 331), and in view of the finding of invalidity the District Judge found it unnecessary to rule specifically upon, and he did not rule specifically upon, the alleged direct infringement or the alleged contributory infringement of claims 1 and 2 of the Gossen patent No. 2,158,963, in suit. In so doing, he was acting within the proper exercise of his discretion, and in respect thereto he was affirmed by the Court of Appeals for the Seventh Circuit in its decision under the authority of the cases therein cited (last paragraph of the opinion of the Court of Appeals, R. 413).

Thus the petition for a writ of certiorari herein seeks to bring before this Court for review Conclusions of Law Nos. 6, 7 and 8 (R. 329, 330) and the corresponding provisions of the "Judgment" entered by the District Court (R. 330, 331, 332) which relate to the finding of the lower courts that the petitioners have misused the Gossen patent No. 2,158,963, in suit, and as a result thereof have violated the Anti-Trust laws.

As Conclusions of Law Nos. 6, 7 and 8 (R. 329, 330) the District Judge concluded that:

> "(6) In and by their license agreement of July 18, 1939 (Plaintiffs' Exhibit No. 8) and their operations thereunder, and in bringing this action, the plaintiffs have attempted to and have conspired to maintain an illegal monopoly, and have combined in restraint of trade in an unpatented article of commerce, namely a metal weatherstrip-sash balance device, as exemplified

by Plaintiffs' Exhibit No. 13, and in so doing the plaintiffs have violated the Anti-Trust Laws of the United States (Title 15, U. S. C. A., Sections 1, 2, 3, 4, 15 and 26);

(7) By reason of the plaintiffs' violation of the Anti-Trust Laws, the defendant is entitled to the relief provided by law for such violation, and as prayed for in the defendant's counterclaim of July 27, 1946, including:

(1) an injunction enjoining and prohibiting the plaintiffs and each of them, their officers, agents, servants, attorneys, employees, and all others acting by and under their direction or authority, their successors and assigns, from:

(a) Bringing suit for infringement of the Gossen patent No. 2,158,963, against defendant's customers or prospective customers, or directly or indirectly threatening defendant's customers or prospective customers with suits for infringement of the Gossen patent No. 2,158,963, or from in any manner interfering with defendant's business by use of the Gossen Patent No. 2,158,963;

(b) Enforcing or carrying out, directly or indirectly, against the defendant, its customers or prospective customers, any of the provisions of the aforesaid license agreement of July 18, 1939 (Plaintiffs' Exhibit No. 8) or any other license agreement identical therewith or similar thereto, or having the same purpose or effect as the aforesaid license agreement and involving the Gossen patent No. 2,158,963 and

(2) an accounting for three-fold damages, if any, suffered by the defendant by reason of the aforesaid unlawful acts of the plaintiffs together with defendant's disbursements and reasonable attorney's fees;

(3) defendant's costs in this Court to be taxed by the Clerk, for which defendant may have execution;

(8) By reason of their aforesaid violation of the Anti-Trust Laws of the United States, as interpreted by the Supreme Court of the United States in the Mercoid cases (*Mercoid Corporation* v. *Mid-Continent Investment Co., et al.*, 64 S. Ct. 268, and *Mercoid Corporation* v. *Minneapolis-Honeywell Regulator Co.*, 64 S. Ct. 278) the plaintiffs are barred from maintaining this action against the defendant;"

A petition for rehearing, filed by the petitioners herein, was denied by the Court of Appeals on September 24, 1948 (R. 414).

The present petition for a writ of certiorari, and the brief in support thereof, are largely a repetition and a restatement of points vigorously urged in the petition for rehearing below, coupled with the usual assertions that the Court of Appeals committed error and decided a question of great public importance.

SUMMARY OF ARGUMENT.

I.

Contrary to the contention of the petitioners, as set forth under Point 1 of the reasons relied upon in support of the petition (page 8 thereof), the District Court and the Court of Appeals have not at any time construed the petitioners' license agreement (Plaintiffs' Exhibit No. 8, R. 256 to 263) as limiting the rights and privileges granted to the licensee thereunder merely to the right to manufacture and sell the petitioners' unpatented weatherstrip and coiled lifting spring therefor and as not granting to the licensee the right to manufacture and sell the complete combination of elements recited in claims 1 and 2 of the Gossen patent No. 2,158,563, in suit.

II.

The petition for a writ of certiorari in this Court, like the petition for rehearing in the Court of Appeals, attempts to reinject into this case two claims, namely, claims 5 and 6 of the Gossen patent No. 2,158,963, which were not before the Court of Appeals and which were not in issue before the District Court since these claims were voluntarily withdrawn by the petitioners in their "Notice and Bill of Particulars" (R. 59) which was filed prior to the trial in the District Court but after the petitioners had been charged by the respondent with violation of the Anti-Trust Laws (Defendant's Counterclaim of July 27, 1946, R. 50 to 53).

III.

The decision of the Court of Appeals for the Seventh Circuit correctly applies and follows the law and is in strict conformity with and is in no way an expansion or an extended application of the decisions of this Court in *Mercoid Corporation* v. *Mid-Continent Investment Co., et al.*, 64 S. Ct. 268, 320 U. S. 661, and *Mercoid Corporation* v. *Minneapolis-Honeywell Regulator Co.*, 64 S. Ct. 278, 279, 280, 320 U. S. 680.

IV.

The decision of the Court of Appeals is based entirely upon and relates solely to the particular facts of the case below and presents no unique or important question of law.

V.

There is no conflict between the decision of the Court of Appeals below and the decision of any other Court of Appeals, or between the decision of the Court of Appeals and the decisions of this Court in the Mercoid cases (*Mercoid Corporation* v. *Mid-Continent Investment Co., et al.*, 64 S. Ct. 268, 320 U. S. 661, and *Mercoid Corporation* v. *Minneapolis-Honeywell Regulator Co.*, 64 S. Ct. 278, 279, 280, 320 U. S. 680).

POINTS AND AUTHORITIES.

I.

The decision of the Court of Appeals for the Seventh Circuit (R. 408 to 413, inclusive) is based entirely upon and relates solely to the particular facts of the case below and presents no unique question of public interest or importance and, under these circumstances, the petition for the writ herein sought should be denied.

Caroline M. Forsythe v. *City of Hammond, et al.*, 166 U. S. 506, 514, 515, 41 L. Ed. 1095, 1098, 1099.

Rule 38, Par. 5, Secs. (a) and (b) of the Rules of the Supreme Court of the United States.

Layne and Bowler Corporation v. *Western Well Works, Inc., et al.*, 261 U. S. 387, 393, 67 L. Ed. 712.

II.

There is no conflict of decision between the decision of the Court of Appeals and the decision of any other court as to the facts in issue in the case below, and there being no conflict between the decision of the Court of Appeals and the decisions of this Court in the Mercoid cases (*Mercoid Corporation* v. *Mid-Continent Investment Co., et al.*, 64 S. Ct. 268, 320 U. S. 661, and *Mercoid Corporation* v. *Minneapolis-Honeywell Regulator Co.*, 64 S. Ct. 278, 279, 280, 320 U. S. 680) no occasion exists for the issuance of the writ prayed for by the petitioners.

Caroline M. Forsythe v. *City of Hammond, et al.*, 166 U. S. 506, 514, 515, 41 L. Ed. 1095, 1098, 1099.

Rule 38, Par. 5, Secs. (a) and (b) of the Rules of the Supreme Court of the United States, as amended.

Sec. 240(a) of the Judicial Code, as amended (U. S. C. A., Title 28, Sec. 347).

III.

The District Court and the Court of Appeals correctly held that the attempts of the petitioners, under the guise of alleged contributory infringement, to assert and maintain a monopoly in an unpatented article of commerce, which constitutes but a single element of their combination patent claims, is a violation of the Anti-Trust Laws.

Mercoid Corporation v. *Mid-Continent Investment Co., et al.*, 64 S. Ct. 268, 320 U. S. 661, and

Mercoid Corporation v. *Minneapolis-Honeywell Regulator Co.*, 64 S. Ct. 278, 279, 280, 320 U. S. 680.

ARGUMENT.

The essential facts are set forth hereinbefore in the "Introductory Statement" and hence need not be repeated here.

I.

The Statement of the "Question Presented", as Set Forth on Pages 7 and 8 of the Petition, Is an Entirely Erroneous Misstatement and Misinterpretation of the Judgment of the District Court and of the Decision of the Court of Appeals.

Under the heading "Question Presented" in the petition (pages 7 and 8) the petitioners erroneously attempt to make it appear that the question sought to be reviewed is as set forth in the following somewhat nebulous statement:

> "Do a patent owner and licensee act against public policy in restraint of trade and in violation of the Federal Anti-Trust Laws by their operations under a patent license which, contrary to their mutual belief and understanding, has been interpreted, in a suit, brought by the patent owner and licensee as co-plaintiffs, for infringement of certain claims of the patent, as a license which does not extend to all of the claims of the patent, particularly the certain claims sued upon?"

Both the thought and the expression thereof in the petitioners' above-quoted statement of the "Question Presented" are confused and garbled. However, the essence thereof appears to be an entirely erroneous contention to the effect that the District Court and the Court of Appeals have construed the petitioners' license agreement (Plain-

tiffs' Exhibit No. 8, R. 256 to 263, inclusive) as limiting the scope of the rights and privileges granted thereby to the licensee to a license merely to manufacture and sell the petitioners' unpatented weatherstrip (Plaintiffs' Exhibit No. 13) and the petitioners' unpatented coil spring employed therewith, considered jointly, and as defined in claims 5 and 6 of the Gossen patent No. 2,158,963, and as *not* granting to the licensee any right to manufacture or sell the complete combination of elements recited in claims 1 and 2 of the Gossen patent No. 2,158,963, in suit.

This contention is entirely fallacious because it confuses two things, namely, (a) the scope of the rights and privileges granted to the licensee in and by the license agreement, and (b) the actual *res* or subject matter of the license agreement in which the parties thereto were directly and financially interested and which they contemplated would be manufactured and sold thereunder and upon which royalties were paid by the licensee to the licensor, namely, the petitioners' unpatented commercial weatherstrip, as exemplified by Plaintiffs' Exhibit No. 13.

II.

Contrary to the Contention of the Petitioners in Their Petition for the Writ Herein Sought (Pages 5, 6, 7, 8, 9, 13 and 14) the District Court and the Court of Appeals Have Not at Any Time Construed the Petitioners' License Agreement (Plaintiffs' Exhibit No. 8, R. 256 to 263) as Limiting the Rights and Privileges Granted to the Licensee Thereunder Merely to the Right to Manufacture and Sell the Petitioners' Unpatented Weatherstrip and Coiled Lifting Spring Therefor and as Not Granting to the Licensee the Right to Manufacture and Sell the Complete Combination of Elements Recited in Claims 1 and 2 of the Gossen Patent No. 2,158,963, in Suit.

In their petition for the writ herein sought (pages 5, 6, 7, 8, 9, 13 and 14) the petitioners resort to a curious and strained, if not completely facetious, construction of the Findings of Fact of the District Court, and particularly of Finding of Fact No. 7, (R. 326), in order to make it appear that the District Court and the Court of Appeals have construed the Petitioners' license agreement (Plaintiffs' Exhibit No. 8, R. 256 to 263) as limiting the rights and privileges granted to the licensee thereunder merely to the right to manufacture and sell the petitioners' unpatented weatherstrip, as exemplified by Plaintiffs' Exhibit No. 13, and a coiled lifting spring for use therewith, and as not granting to the licensee the right to manufacture and sell the complete combination of elements recited in claims 1 and 2 of the Gossen Patent No. 2,158,963, in suit.

Nothing could be further from the truth. As pointed out hereinbefore, this contention thus advanced by the petitioners is entirely fallacious because it confuses two things, namely (a) the scope and privileges granted to the licensee in and by the license agreement, and (b) the actual

res or subject matter of the license agreement in which the parties thereto were directly financially and commercially interested and which they contemplated would be manufactured and sold thereunder and upon which royalties were to be paid by the licensee to the licensor, namely, the petitioners' unpatented commercial weatherstrip, as exemplified by Plaintiffs' Exhibit No. 13.

That both the District Court and the Court of Appeals fully appreciated that the petitioners' license agreement did not limit the scope of the rights and privileges granted thereby to the licensee but, on the contrary, gave the licensee the right and privilege of manufacturing and selling under all of the claims of the Gossen patent No. 2,158,963, in suit, without restriction or qualification, is clearly shown by the District Court's Finding of Fact No. 6, which was approved by the Court of Appeals, and which reads as follows (R. 326):

> "Under the exclusive license agreement of July 18, 1939 (Plaintiffs' Exhibit No. 8), the plaintiff, Martin J. Gossen, granted to the said Maurice S. Oftedal, doing business as Master Metal Strip Service Co., the predecessor in business and in interest of the corporate plaintiff, Master Metal Strip Service, Inc., *the exclusive right to manufacture and sell,* throughout the entire United States, exclusive of the State of Wisconsin, and in the Dominion of Canada, *under Gossen patent No. 2,158,963 in suit.*"

It will be noted that in its above-quoted Finding of Fact No. 6 the District Court found, *without limitation or qualification of any character, and without limitation as to any claim or claims of the Gossen patent No. 2,158,963, in suit,* that under the exclusive license agreement (Plaintiffs' Exhibit No. 8, R. 258 to 253) the exclusive licensee was granted.

> "• • • *the exclusive right to manufacture and sell,* throughout the entire United States, exclusive of the

State of Wisconsin, and in the Dominion of Canada, *under Gossen patent No. 2,158,963 in suit.*"

Having thus found in Finding of Fact No. 6 (R. 326), without limitation or qualification of any character, that the exclusive license agreement granted to the licensee the exclusive right to manufacture and sell under Gossen Patent No. 2,158,963, in suit, *without limitation or restriction as to any claim or claims thereof,* the District Court then went on, in Findings of Fact Nos. 7 and 8 (R. 326), to find that the actual *res* or subject matter of the license agreement, in which the parties were directly financially and commercially interested, and which they contemplated would be manufactured and sold thereunder, and upon which royalties were to be paid by the licensee to the licensor,

> "* * * was *not* the patented combination defined in and by claims 1 and 2 of the Gossen patent No. 2,158,963, in suit, but the weatherstrip and sash balance devices embodying the invention shown, described and claimed in this patent and which constitute a single element of the combination recited in claims 1 and 2 of the Gossen patent No. 2,158,963, in suit, and which is exemplified by plaintiffs' commercial weatherstrip (Plaintiffs' Exhibit No. 13)" (Finding of Fact No. 7, R. 326).

The District Court then went on, in Finding of Fact No. 8, (R. 326), to construe the provisions of the plaintiffs' license agreement which relate to the payment of royalties thereunder.

It will thus be seen that the alleged error of which the District Court and the Court of Appeals are accused, in interpreting the petitioners' license agreement, is merely an error, if such it may be called, on the part of the petitioners, and arises from the fact that the petitioners have:

> (a) completely and totally ignored the highly significant Finding of Fact No. 6 of the District Court

in which the District Court found, *without limitation or qualification, and without limitation or restriction as to any claim or claims of the Gossen patent No. 2,158,963, in suit, that the license agreement granted the licensee the exclusive license to manufacture and sell under the Gossen patent No. 2,158,963 in suit;* (R. 326) and

(b) misconstrued Findings of Fact Nos. 7 and 8 (R. 326) in which the District Court construed and interpreted the license agreement in the light of the pleadings and the evidence and, in so doing, found that the actual *res* and subject matter thereof in which the parties to the license agreement were directly financially and commercially interested, and which they contemplated would be manufactured and sold thereunder, and upon which royalties would be paid by the licensee to the licensor, was not the complete combination of elements recited in claims 1 and 2 of the Gossen patent No. 2,158,963, in suit, but the plaintiffs' unpatented commercial weatherstrip, as exemplified by Plaintiffs' Exhibit No. 13.

It will thus be seen that, contrary to the erroneous contention of the petitioners in their petition for the writ herein sought, the District Court and the Court of Appeals have not at any time construed the petitioners' license agreement *as limiting* the rights and privileges granted to the licensee under the license agreement to the right to manufacture and sell the complete combination of elements recited in claims 1 and 2 of the Gossen patent No. 1,158,-963, in suit, but have merely determined that the actual *res* or subject matter of the license, in which the parties were directly financially and commercially interested, and which they contemplated would be manufactured and sold thereunder, was not the complete combination of elements recited in claims 1 and 2 of the Gossen patent No. 2,158,963, in suit, but the plaintiffs' unpatented commercial weather-strip, as exemplified by plaintiffs' Exhibit No. 13.

This being true, the so called "Question Presented,"

as set forth on pages 7 and 8 of the petition for the writ herein sought, does not, in fact, exist, and the reasons relied upon by the petitioners for the allowance of the petition, as set forth on pages 8 and 9 thereof, and the argument advanced on pages 13, 14 and 15 of the brief in support of the petition, are entirely without merit, and should fail.

III.

The Petition for the Writ Herein Sought Is Based Largely Upon Two Claims of the Gossen Patent No. 2,158,963, Namely, Claims 5 and 6, Which Were Not Before the District Court or the Court of Appeals Since These Claims Were Voluntarily Withdrawn by the Petitioners In Their "Notice and Bill of Particulars" (R. 59) Which Was Filed Prior to the Trial But After the Petitioners Had Been Charged by the Respondent With Violation of the Anti-Trust Laws (Defendant's Counterclaim of July 27, 1946 (R. 50 to 53)).

It is significant to note that the petition for the writ herein sought is based largely upon two claims of the Gossen Patent No. 2,158,963, namely, claims 5 and 6, which were not before the District Court, and were not before the Court of Appeals, since these claims were voluntarily withdrawn by the petitioners, prior to the trial in the District Court, in and by the petitioners' "Notice and Bill of Particulars" (R. 59) which was filed after the petitioners had been charged by the respondent with violation of the Anti-Trust Laws in and by defendant's counterclaim of July 27, 1946 (R. 50 to 53).

It will be noted, in this connection, that after the petitioners had charged the respondent with so-called contributory infringement of claims 1, 2, 3, 5, 6 and 8 of Gossen Patent No. 2,158,963 (in and by an amendment to

the complaint designated Paragraph VIIIA thereof, and which was filed July 17, 1946, R. 42, 44, 45), by reason of the respondent's manufacture and/or sale of its weatherstrip-sash balance unit, as illustrated in respondent's circular (Plaintiffs' Exhibits Nos. 1, 2 and 4, R. 239, 241), the respondent, on July 27, 1946, filed a counterclaim charging the petitioners with violation of the Anti-Trust Laws (Title 15, U. S. C. A., Secs. 1, 2 and 3) in conspiring to assert and maintain, and in attempting to assert and maintain, under the guise of the Gossen patent No. 2,158,963, in suit, a monopoly in unpatented articles of commerce, namely, defendant's weatherstrip-sash balance unit and coiled lifting spring therefor, separately and in combination (Par. (5), R. 51). With full knowledge of the fact that they had thus been charged by the respondent with violation of the Anti-Trust Laws, the petitioners shortly thereafter, namely, on July 27, 1946, withdrew claims 5 and 6, upon which they now rely in support of the petition for the writ herein sought. The voluntary withdrawal of claims 5 and 6 by the petitioners was accomplished in and by their "Notice and Bill of Particulars," which read as follows (R. 59):

"NOTICE AND BILL OF PARTICULARS.

To the Above-Named Defendant and Its Counsel:

After due consideration and examination of the defendant's structure as shown and described in Plaintiffs' Exhibits 1, 2, 3 and 4 attached to plaintiffs' Interrogatories heretofore filed in this cause on June 13, 1946, plaintiffs hereby notify defendant and its counsel by way of bill of particulars that of claims 1, 2, 3, 5, 6, and 8 of Patent No. 2,158,963 and claims 1, 2, 3, 4, 8, 9, 10 and 11 of Patent No. 2,257,051, plaintiffs at the trial of the above-entitled cause will rely solely upon claims 1 and 2 of Patent No. 2,158,963 in suit as the basis for plaintiffs' charge of infringement sufficient for this cause.

Signed at Chicago, Illinois, this 21st day of August, 1946.

MASTER METAL STRIP SERVICE, INC.,
an Illinois corporation, and
MARTIN J. GOSSEN,
By CLARENCE E. THREEDY,
Their Attorney.

Received two copies of the foregoing notice and bill of particulars this 21st day of August, 1946.

FERD BING,
CHARLES B. CANNON,
Attorneys for Defendant."

It is submitted, therefore, that the petitioners belated attempt to reinject voluntarily abandoned claims 5 and 6 of the Gossen patent No. 2,158,963 into this case, in an attempt to provide a basis for the petition for the writ herein sought, is entirely improper and wholly without merit.

IV.

The Judgment of the District Court, and the Decision of the Court of Appeals for the Seventh Circuit Both Correctly Applied and Followed the Law and Are In Strict Conformity With and Are In No Way an Expansion or an Extended Application of the Decisions of This Court In Mercoid Corporation v. Mid-Continent Investment Co., et al., 64 S. Ct. 268, 320 U. S. 661, and Mercoid Corporation v. Minneapolis-Honeywell Regulator Co., 64 S. Ct. 278, 279, 280, 320 U. S. 680.

The charge of infringement as to claims 1 and 2 of the Gossen patent No. 2,158,963, in suit, as set forth in the original complaint (R. 2 to 5, inclusive) did not specify whether the alleged infringement by the respondent was direct or contributory. However, in an amendment to the complaint, designated Paragraph VIIIA thereof (R. 42,

44, 45), the petitioners charged the respondent with contributory infringement of (among others) claims 1 and 2 of Gossen patent No. 2,158,963, by reason of the respondent's manufacture and/or sale of its weatherstrip-sash balance unit as illustrated in respondent's circulars (Plaintiffs' Exhibits Nos. 1, 2 and 4, R. 239, 241). The reason for this charge of so-called contributory infringement was the fact that it had been developed in and by the pleadings, and particularly by the plaintiffs' interrogatories to the defendant-respondent (R. 23) and the answers of the defendant-respondent thereto (R. 30 to 33), that the respondent does not manufacture or sell the complete combination of the four elements called for in and by claims 1 and 2 of the Gossen patent No. 2,158,963, in suit, but manufactures only one element thereof, namely the weatherstrip unit, and sells for use therewith a coiled lifting spring, but has never manufactured or sold the other two elements called for in these claims, namely, the window frame and the window sash in which the weatherstrip and coiled lifting spring therefor are mounted.

As Conclusions of Law Nos. 6 and 8 (R. 329, 330) the District Judge concluded that:

> "(6) In and by their license agreement of July 18, 1939 (Plaintiffs' Exhibit No. 8) and their operations thereunder, and in bringing this action, the plaintiffs have attempted to and have conspired to maintain an illegal monopoly, and have combined in restraint of trade in an unpatented article of commerce, namely a metal weatherstrip-sash balance device, as exemplified by Plaintiffs' Exhibit No. 13, and in so doing the plaintiffs have violated the Anti-Trust Laws of the United States (Title 15, U. S. C. A., Sections 1, 2, 3, 4, 15 and 26);
>
> (8) By reason of their aforesaid violation of the Anti-Trust Laws of the United States, as interpreted by the Supreme Court of the United States in the *Mercoid* cases (*Mercoid Corporation* v. *Mid-Continent*

Investment Co., et al., 64 S. Ct. 268, and *Mercoid Corporation* v. *Minneapolis-Honeywell Regulator Co.*, 64 S. Ct. 278), the plaintiffs are barred from maintaining this action against the defendant;"

That both the District Judge and the Court of Appeals for the Seventh Circuit were thus correct in finding that the activities of the petitioners herein, in attempting to monopolize an unpatented element of a patented combination, under the guise of a charge of so-called contributory infringement, are in violation of the Anti-Trust laws, is clearly established by the decisions of this court in the Mercoid cases (*Mercoid Corporation* v. *Mid-Continent Investment Co., et al.*, 64 S. Ct. 268, and *Mercoid Corporation* v. *Minneapolis-Honeywell Regulator Co.*, 64 S. Ct. 278).

Thus in the case of *Mercoid Corporation* v. *Minneapolis-Honeywell Regulator Co.*, 64 S. Ct., 278, 320 U. S. 680, this court, by Mr. Justice Douglas, stated as follows at page 280:

"The fact that an unpatented part of a combination patent may distinguish the invention does not draw to it the privileges of a patent. That may be done only in the manner provided by law. *However worthy it may be, however essential to the patent, an unpatented part of a combination patent is no more entitled to monopolistic protection than any other unpatented device. For as we pointed out in Mercoid* v. *Mid-Continent Investment Co., supra, a patent on a combination is a patent on the assembled or functioning whole, not on the separate parts. The legality of any attempt to bring unpatented goods within the protection of the patent is measured by the anti-trust laws not by the patent law. For the reasons stated in Mercoid* v. *Mid-Continent Investment Co., supra, the effort here made to control competition in this unpatented device plainly violates the anti-trust laws, even apart from the price-fixing provisions of the license agreements. It follows that petitioner is entitled to be relieved against the consequences of those acts. It like-*

wise follows that respondent may not obtain from a court of equity any decree which directly or indirectly helps it to subvert the public policy which underlies the grant of its patent. Morton Salt Co. v. *G. S. Suppiger Co.*, 314 U. S. 488, 494, 62 S. Ct. 402, 406, 86 L. Ed. 363; *B. B. Chemical Co.* v. *Ellis*, 314 U. S. 495, 62 S. Ct. 406, 86 L. Ed. 367."

In the companion case (*Mercoid Corporation* v. *Mid-Continent Co., et al.*, 64 S. Ct. 268, 320 U. S. 661), this court, by Mr. Justice Douglas, stated as follows at page 272:

> "*The controversy centers around the license agreement between Mid-Continent and Minneapolis-Honeywell.* By that agreement Minneapolis-Honeywell received an exclusive license to make, use, sell, and to sub-license others to make, use, and sell the Cross Combination patent No. 1,758,146. *The royalty payments under the license, however, were to be based only upon sales of the combustion stoker switch which was an element of the combination patent embodied in the patented article but which was itself unpatented.*
>
> "* * * *We now add that it makes no difference that the unpatented device is part of the patented whole. That result may not be obviated in the present case by calling the combustion stoker switch the 'heart of the invention' or the 'advance in the art.' The patent is for a combination only. Since none of the separate elements of the combination is claimed as the invention, none of them when dealt with separately is protected by the patent monopoly.*"

It is submitted, therefore, that the decision of the District Judge, and the decision of the Court of Appeals for the Seventh Circuit, correctly apply and follow the law as established by this court in the Mercoid cases, *supra*, and are in no way an expansion or extended application thereof, and that the contention by the petitioners to this effect is wholly without merit.

V.

The Decisions of the District Judge and of the Court of Appeals for the Seventh Circuit Are Based Entirely Upon and Relate Solely to the Particular Facts of the Case Below and Present No Unique or Important Question of Law.

The decisions of the District Judge and of the Court of Appeals for the Seventh Circuit are based entirely upon and relate solely to the particular facts of the case below, and present no unique or important question of law. Under these circumstances it has long been held that the writ herein sought should be denied.

Thus in the case of *Caroline M. Forsythe* v. *City of Hammond, et al.*, 166 U. S. 506, 41 L. Ed. 1095, 1098, 1099, this Court, in reiterating a policy with respect to granting certiorari, even then long established, said, at pages 514 and 515:

> "* * * it is a power which will be sparingly exercised, and only when the circumstances of the case satisfy us that the importance of the question involved, the necessity of avoiding conflict between two or more courts of appeals, or between courts of appeal and the courts of a state, or some matter affecting the interests of this nation in its internal or external relations, demands such exercise."

In the case of *Layne and Bowler Corporation* v. *Western Well Works, Inc., et al.*, 261 U. S. 387, 67 L. Ed. 712, this Court said, at page 393:

> "* * * It is very important that we be consistent in not granting the writ of certiorari *except in cases involving principles the settlement of which is of importance to the public as distinguished from that of the parties*, and in cases where there is a real and embarrassing conflict of opinion and authority between

the circuit courts of appeal. The present case certainly comes under neither head."

VI.

There Is No Conflict of Decisions Between the Decision of the Court of Appeals for the Seventh Circuit, and the Decision of Any Other Court, as to the Facts in Issue in the Case Below, Which Would Justify the Granting of the Writ Herein Sought.

There is no conflict of decisions between the decision of the Circuit Court of Appeals for the Seventh Circuit, and the decision of any other court, as to the facts in issue in the case below, which would justify the granting of the writ herein sought.

Under these circumstances it has long been held that the writ herein sought should not be granted (*Caroline M. Forsythe* v. *City of Hammond, et al.*, 166 U. S. 506, 41 L. Ed. 1095, 1098, 1099, Sec. 240 (a) of the Judicial Code, as amended, U. S. C. A., Title 28, Sec. 347, Rule 38, Par. 5 Secs. (a) and (b) of the Rules of Supreme Court of the United States, as amended).

Conclusion.

For the reasons stated, and under the authorities cited, it is deemed that the decision of the Court of Appeals for the Seventh Circuit was, and should be, final, and that the petition fails to establish any reason why this Court should here grant the writ of certiorari for which the petitioners pray.

It is, therefore, submitted that the petition should be denied.

Respectfully submitted,

CHARLES B. CANNON,
FERD BING,
DANIEL V. O'KEEFFE,
(WALLACE AND CANNON)
One North La Salle St.,
Chicago 2, Illinois,
(*Attorneys for Respondent.*)

Dated: December 3, 1948.
(All italics added.)